



# Labor & Economic Briefing

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Here is a summary of headlining accomplishments from the last 30 days:

## Encouraging Economic & Urban Development

### **Granholm to Boeing: Land In Michigan! State Offers Aggressive Proposal to Attract New 7E7**

**Facility:** The Michigan Economic Development Corporation (MEDC) has presented an aggressive business case to Boeing to convince the company to make Michigan the landing spot for its 7E7 aircraft manufacturing facility. Governor Jennifer M. Granholm personally contacted the company to share her commitment and to indicate why Michigan is an ideal location for this new facility. The incentive package to convince Boeing to locate the \$900 million aircraft manufacturing facility in Michigan is valued at up to \$300 million over a 20-year period. Possible incentives offered to the company include local tax abatements, Single Business Tax credits, infrastructure assistance and worker training grants. The new Boeing facility is expected to employ more than 1,200 workers. Three possible Michigan sites were presented for the new facility: Willow Run Airport in Wayne County, Oscoda-Wurtsmith Airport Authority in Oscoda and Alpena County Regional Airport in Alpena. After a competitive site selection process, these sites proved to be the best options to meet the company's list of requirements for the new facility. To view the executive summary of the Boeing proposal and the Governor's video message to Boeing, visit the MEDC website at <http://medc.michigan.org>.



**Governor  
Jennifer M.  
Granholm**

**Recent Expansions:** Three major expansions as a result of the MEDC's Michigan Economic Growth Authority (MEGA) program were announced, including:

- \* **Zeeland-based Herman Miller, Inc.** is consolidating its North American systems furniture manufacturing operations into Spring Lake. The consolidation is expected to result in a gain of 360 to 380 new jobs for the state.
- \* **DENSO Manufacturing** chose Battle Creek for a major new manufacturing facility expansion. The expansion involves a \$45 million company investment, and will add 90,000 square feet of manufacturing space to DENSO's existing facility. The project is expected to create 702 new jobs by 2012, including 300 directly by the company.
- \* **Plastech Engineered Products** chose Frenchtown Township for a major new manufacturing complex. The three facilities in the complex will add a staggering total of 702,000 square feet of new manufacturing capacity. Total capital investment in the complex will be approximately \$110 million. The project is expected to create 1,898 new Michigan jobs by 2016, including 900 directly by the company.

**Homeland Security Expansion:** As a result of MEDC assistance, Smiths Aerospace will create a new integrated laboratory in Cascade Township for avionics development, primarily for future military aircraft. The expansion project is expected to create up to 214 jobs, including 120 directly by the company. An MEDC incentive package convinced the company to locate the expansion in Michigan rather than Maryland.



**Main Street Communities:** Four selections for the coveted MEDC Michigan Main Street program were announced on June 19th. **Boyer City, Calumet/Calumet Township, Marshall and Portland** will receive makeovers through intensive, specialized downtown revitalization training designed to create new jobs and investment. The Main Street program will provide the four communities with year-round training in the four-step Main Street approach.

**MEDC Takes Life Sciences Corridor Success Story to BIO 2003 Conference in D.C.:** MEDC and state partners participated in an exhibit at the BIO 2003 Conference and Exhibition in Washington D.C. The MEDC's presence publicized Michigan's growing life sciences industry to key decision makers, which in the past has influenced companies to locate or expand in the state. Raili Kerppola, the MEDC's Managing Director, Michigan Life Sciences Corridor, lead an emerging company issues session called "Mega-Mergers, Mega-Opportunities." The session provided insights into how Michigan is actively engaged in pursuing new opportunities presented by Pfizer's recent acquisition of Kalamazoo-based Pharmacia. The BIO (Biotechnology Industry Organization) event is the world's largest international biotechnology conference, with 15,000 biotech scientists and business leaders from 47 states and more than 50 nations attending.

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**Governor Details Former Pfizer Employee Assistance Plan and Support for Pfizer's Growth:** Governor Jennifer M. Granholm announced a wide range of state resources to encourage displaced Pfizer workers to "stick around" Kalamazoo and Michigan, while continuing her productive relationship with Pfizer to encourage the company's growth in the state. A wide array of state initiatives are aimed at keeping the bright former Pfizer talent in Michigan including:

- **Company Formation Fund:** The Life Sciences Steering Committee has set aside \$2 million to create a company formation fund to help former Pfizer workers initiate start-up companies. MEDC has received 29 proposals for this fund, requesting more than \$5.5 million and the potential of creating more than 300 new jobs. The Life Sciences Steering Committee will meet on July 14 to make funding decisions.

- **High-Tech Career Fair:** The MEDC, in partnership with MichBio and Southwest Michigan First, will host a high-tech Michigan job fair on July 17 from 11 a.m. to 3 p.m. at the Kalamazoo Radisson. More than 30 Michigan companies looking for skilled workers like those formerly employed at Pfizer are expected to attend to meet potential job candidates.

- **Out-of-State Business Attraction Campaign:** Personal letters from Governor Granholm have been sent to several hundred out-of-state pharmaceutical companies encouraging them to open facilities within the state and discover Michigan's talented life sciences workforce. Companies looking to establish operations in Michigan will be offered assistance in the form of Single Business Tax credits and other incentives.

- **Venture Capital Legislation:** The Governor declared her support for creation of a fund of funds that would invest in Michigan venture capital companies focusing on seed stage investments and provide more capital for start-up companies in the state. The legislation would make tax credits available to assure repayment of investments by those who invest in the new fund of funds.

The Governor also restated her commitment to continue close relationships with Pfizer officials with a goal of encouraging the world's largest drug maker to grow in Michigan. For example, MEDC is committed to offering assistance to support new infrastructure needed for Pfizer's Animal Health Center expansion in Richland Township. In April, Pfizer finalized its acquisition of Pharmacia Corporation. The company has its largest number of workers in Michigan, including operations in Kalamazoo, Washtenaw and Ottawa counties.

**MEDC Helps "Chain of Lakes" Region Plan for the Future To Create Jobs and Growth:** MEDC announced federal Community Development Block Grant (CDBG) funding for the village of Ellsworth on behalf of Ellsworth, Bellaire, Central Lake and East Jordan. The four communities are located in what is traditionally called the "Chain of Lakes" region of Antrim and Charlevoix Counties. The \$18,000 federal grant will help facilitate a \$36,000 regional planning study to identify economic and community development challenges and build on the opportunities for the downtowns of all four communities. These communities share common assets and challenges therefore working together will ensure that the downtown areas of each community reaches its fullest economic potential. The MEDC administers the Michigan Community Development Block Grant program. CDBG is a federal program involving funds received from the U.S. Department of Housing and Urban Development. These funds are used to provide grants to eligible counties, cities, villages and townships, usually under 50,000 population, for economic development, community development and housing projects.

**Granholm to Venture Capitalists - "Take a Look at Michigan":** Governor Jennifer M. Granholm launched the 22nd Annual Michigan Growth Capital Symposium held June 11-12 in Ann Arbor with a challenge to approximately 100 Michigan and national venture capitalists to not overlook the many opportunities springing up in Michigan that could mean big returns for their funds. Granholm pointed to the Michigan Life Sciences Corridor initiative, with more than 50 new Michigan life sciences companies created in the past three years, as one of many indicators of the state's high-tech success. She also noted that Michigan's major research universities and private research centers are a hotbed for the creation and commercialization of new technologies. "Michigan is number two in the nation for industrial research and development," Granholm said. "Research and development has led to an explosion of commercialization opportunities and launching pads for smart new companies." The symposium provides an interactive forum for national venture capital and private equity industry leaders, high growth technology companies and entrepreneurs. As one of the Midwest's premier venture capital events, the symposium has helped presenting companies raise more than \$680 million over the past 21 years.

## Boosting Michigan's Tourism Industry

**Governor's Travel Tour:** Governor Jennifer M. Granholm recently completed a week-long Travel Michigan tour in which she highlighted attractions and recreational opportunities that Michigan residents might include in their vacation planning. The tour, orchestrated by Travel Michigan, featured two to three daily stops at various attractions, landmarks, museums, events, restaurants and other state destinations ideal for summer travel. The purpose of the tour was to encourage Michigan residents to spend their summer vacations and summer vacation dollars at Michigan's many attractive destinations.



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## Facilitating Labor Relations

### ***Attorneys, Union Reps, Management Personnel, and Others Invited to Hear Labor Relations Leaders at July 28th***

**"Advocates' Day" in Detroit:** Labor relations professionals are invited to attend an "Advocates' Day" to hear international labor relations leaders on Monday, July 28th in Detroit. Hollister will be one of the Advocates' Day program presenters include David C. Hollister, CIS Director; Robert Battista, National Labor Relations Board (NLRB) Chairman; Ron Gettelfinger, UAW President; Peter Hurtgen, Federal Mediation and Conciliation Service (FMCS) Director; George King, McTague Law Firm, LLP in Windsor; Carol Waller Pope, Federal Labor Relations Authority (FLRA) Member; and the Honorable Henry Saad, Michigan Court of Appeals Judge. The "Advocates' Day" program is geared toward attorneys, arbitrators, labor union representatives, management personnel, mediators, and other labor relations professionals. Advocate's Day is one of the highlights of the 2003 Association of Labor Relations Agencies (ALRA) Conference, which is being co-chaired by Ruthanne Okun, director of the CIS Michigan Employment Relations Commission. For conference information, visit the ALRA website at <http://www.alra.org>.

### ***Governor's Blue Ribbon Panel to Host Forums & Evaluate the Community and Health Impact of the On-Going Northern Michigan Hospital Labor Dispute:***

Governor Jennifer Granholm announced she has appointed a three member Blue Ribbon Panel to evaluate the impact the on-going labor dispute at Northern Michigan Hospital may be having on the delivery of health care services to the Petoskey community and region. Three individuals with a wealth of public service, labor mediation and health care experience have agreed to serve on the Blue Ribbon Panel: C. Patrick Babcock, Barry C. Brown, and Dr. Gloria R. Smith. Community forums are scheduled for 7 p.m. July 10 and 10 a.m. July 11 at North Central Michigan College, Student Center; Upper Level, 1515 Howard Street, Petoskey. Written comments can also be submitted via fax: 517.241.1580 or online at:

[http://www.cis.state.mi.us/insidecis/comm\\_input\\_nmh.htm](http://www.cis.state.mi.us/insidecis/comm_input_nmh.htm). The forums will offer an opportunity for representatives from the hospital administration, staff, labor organizations, business and professional leaders, public officials and, most importantly, members of the community, to present information, facts and concerns over any impact the work stoppage may be having on the delivery of health care services in the region.

## Protecting Worker Safety

**MIOSHA Awards Presented to Howell and Grand Rapids Area Businesses:** CIS presented a Consultation Education and Training Bronze Award to Gilreath Manufacturing, Inc., of Howell and a MIOSHA Special Recognition Award to Lacks Enterprises, Inc., of the Grand Rapids area. Gilreath Manufacturing, Inc., received its award for significant improvement in workplace safety and health and concentrated its improvement efforts in: ergonomics on the job, improved accident investigations, increased training, and audits to ensure a safe work environment. Gilreath Manufacturing, Inc. is a custom injection mold company with full-service design, manufacture and assembly capabilities of interior, exterior, and functional injection molded components for automotive and commercial applications. Lacks Enterprises received a Special Recognition Award for their continuous ergonomic improvements that have been implemented to reduce worker strain. They have initiated significant ergonomic changes in all of their 13 Grand Rapids area manufacturing plants to reduce ergonomic-related injuries and illnesses. Lacks began a pilot program in ergonomics in 1996. The goal of the program was to eliminate physical stress on employees by instituting a corporate-wide program to reduce cumulative repetitive trauma disorders. Lacks Enterprises is an automotive, electronics and telecommunications industry supplier comprised of three business units: Lacks Trim Systems, Lacks Wheel Trim Systems, and Plastic Plate, Inc.

## Matching Employers & Workers via the Internet

**New Career Portal Website Launched:** In its first three weeks of operation, 46,617 unique visitors came to Michigan's new online Career Portal (<http://www.michigan.gov/careers>). The Job Seekers page was the most popular during that period of time (40,888 unique visits), while Online Resources received 13,253 unique visits.

### ***More Than 30,000 Resumes Added to Talent Bank:***

More than 30,000 new resumes were added to the Michigan Talent Bank in May, bringing the total searchable resumes to 603,909. Nearly 1,000 new business registrations were recorded with 56,400 total resume searches. There were 6,191 jobs added bringing the total job openings posted to 16,839.

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## Assisting Jobless Workers

**Workforce Transition Section (WTS) Assists Employers and Displaced Workers:** The Workforce Transition Section (WTS) responded to 30 notices of planned plant closures or mass layoffs. Contact was made with employers and union representatives in response to receipt of a Worker Adjustment and Retraining Notification (WARN) letter, phone call, newspaper article, or other means of notification. A brief overview of available dislocated worker services was given, and depending on the number of jobs impacted, a formal on-site Rapid Response meeting was scheduled or arrangements were made for the local Michigan Works! Agency to meet with the affected employees to provide information on services that are available.

Other services provided:

- ♦ Conducted 16 Rapid Response meetings with employers (and union representatives, where employees are represented by a collective bargaining agreement) to provide detailed information on dislocated worker services and gather information on the closing/layoff that will enable Michigan Works! service providers to assist the affected workers with the transition to new employment.
- ♦ Reviewed 15 new Trade Act petitions filed with the WTS. Petitions were checked for completeness/accuracy, logged in for internal tracking purposes, and forwarded to the U.S. Department of Labor for investigation and determination.
- ♦ Conducted six information meetings in various areas of the state for workers certified under the Trade Act. There were three new Trade Act Certifications this period.
- ♦ Attended 22 worker orientation sessions, and responded to 324 phone calls and 131 e-mails from individuals, company/union representatives, and service providers who requested information or clarification of issues related to the WARN Act, dislocated worker services, and the Trade Act.
- ♦ Provided assistance in securing \$441,000 in National Emergency Grant funds for Dislocated Workers services.

## Protecting Consumers

**Michigan Department of Consumer & Industry Services, State Surgeon General Offer Tips to Keep it Cool on Hot Summer Days:** Michigan's first "official" week of summer began with temperatures soaring into the 90s, so (CIS) Director David C. Hollister and State Surgeon General Dr. Kimberlydawn Wisdom offer a few energy, health and safety tips to help people keep their cool at work or play for the hot months ahead. "The summer weather that everyone has been looking forward to has finally arrived in Michigan. The first days of summer have been scorches so we want to remind Michigan employers and families of some simple things they can do to handle the transition more safely and economically," Hollister said. "We also have some great tips to Michigan residents who are looking for ways to reduce their energy costs at home as well as on the highway while traveling the state for vacations with their families." The health, energy and worker safety tips are online at: [http://www.michigan.gov/cis/0,1607,7-154-10573\\_11472-70781--,00.html](http://www.michigan.gov/cis/0,1607,7-154-10573_11472-70781--,00.html).

**Consumers Reminded to Check with Insurance Agents Regarding Car Rentals:** The Office of Financial and Insurance Services (OFIS) is reminding consumers before they leave for their vacations this summer to contact their insurance agents regarding whether car rental insurance is needed. Most consumers are uncertain about the coverage offered by the collision, liability, and theft insurance available from car rental companies, and many sign up for the insurance despite the high cost of \$7 to \$25 a day. A recent study shows that one out of every five car renters takes at least some insurance offered by the car rental company, however most often purchasing the coverage provides no additional benefit to the consumer - only more expenses. Generally auto insurance policies that provide full coverage apply to rented vehicles, although the coverage differs from company to company. Consumers should check their existing homeowners, renters and health insurance to determine the need for the additional personal accident or personal effects coverage before they purchase the coverage unnecessarily through the car rental agency.

**MPSC Releases Report on Status of Competition of Telecommunication Service in Michigan, Noting Continuing Progress:** The Michigan Public Service Commission released its third annual report on the status of competition in telecommunication service in Michigan. The report is required by the Michigan Telecommunications Act of 2000 to be submitted to the Governor and the House and Senate standing committees with oversight of telecommunication issues. It primarily examines the state of competition in the toll and local exchange service markets in Michigan. Highlights of the report include: The actual number of Competitive Local Exchange Carrier (CLEC) providers and CLEC lines in Michigan has grown from a 4 percent share in 1999 to a 21.7 percent share at the end of 2002. Furthermore, the total number of phone lines in Michigan has fallen from 6,726,971 in 1999 to 6,668,124 in 2002, appearing to have peaked in 2001 at 7,014,263. The decrease reflects a migration to wireless, email and Internet telephony. The report is available at: <http://www.michigan.gov/mpsc> in the Communications section.



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**OFIS Releases "2003 Buyers' Guide to Auto Insurance in Michigan":** The Office of Financial and Insurance Services (OFIS) issued the "2003 Buyers' Guide to Auto Insurance in Michigan." The guide, which is an annual survey of automobile insurance companies and their rates for different policies for different areas of the state, is available at <http://www.michigan.gov/ofis>. Hard copies of the guide are also available by contacting OFIS toll free at (877) 999-6442. OFIS Commissioner Linda Watters said, "It is clear, after reviewing this year's survey results and seeing the disparity of rates from territory to territory, that the issue of rate differentials needs to be addressed. It is my priority to lead a review of the conditions of the insurance market in the state with stakeholders and develop solutions to ensure all Michigan families have fair and equitable access to insurance." It is important to remember that Michigan continues to have a competitive automobile insurance market for consumers. The rate increases experienced here in Michigan are also identical to national rate increases due to low return on investments for insurance companies and increasing cost of medical expenses.

## Ensuring Quality Health Care for Citizens

**Nursing Scholarships Totaling \$35,000 Presented to Seven Colleges & Universities:** The state is presenting \$35,000 to seven Michigan colleges and universities in the latest rounds of scholarships for students in the registered nurse program. Each university and college is receiving a \$5,000 nursing scholarship grant as part of a program initiated in 2000 by CIS to address a national shortage in the nursing profession. The Michigan Board of Nursing, a CIS board of health professionals and public members, proposed a scholarship fund after it determined a need for nursing professionals based on state and national health data. The colleges and universities receiving the grants are: Delta College, Mid Michigan Community College, Muskegon Community College, North Central Michigan College, Oakland University, Schoolcraft College, and Southwestern Michigan College. The program is expected to provide more than \$200,000 in scholarships this fiscal year for students pursuing an associate's or bachelor's degree to become a registered nurse. The scholarships will provide a one-time grant to students for tuition, books and fees.

## Providing More Efficient Services to Keep Business Costs Down

**Liquor Control Commission's Online Ordering Sets New Record:** The Michigan Liquor Control Commission (MLCC)'s Internet Liquor Ordering website has set a new record with more than 2,000 orders placed in May, 2003. The website was launched in November, 2002 with 16 orders placed. This free service has been growing in popularity and averaging 1,600 orders per month as more licensees become familiar with the program. Michigan business owners and managers placed a record 2,000 orders via the Internet last month. Licensees placing an order via the website receive an email confirmation of the order, including transaction confirmation numbers, delivery dates, a listing of items ordered, and price. No payment information is required or taken by the Internet ordering system. They pay by Electronic Fund Transfer (EFT), check or cash at delivery time as usual. This makes the system even faster and easier to use than other types of ordering. One of the advantages of the online service is that licensees can immediately see what inventory is in stock, so they can easily make substitutions or other changes if needed. Licensees are required to use a password to begin using the system. To obtain a password, licensees can visit the MLCC offices, call the MLCC toll-free at 1.800.701.0513, or send an email to: [mlccpasswordrequests@michigan.gov](mailto:mlccpasswordrequests@michigan.gov). Please include your name, business name, business address, license number, and if you know it, your business ID. There is no cost to licensees who use the online system.

## Promoting Energy Efficiency & Protecting Environment

**Grandville Public Schools is Second District in State to Receive ENERGY STAR Building Label:** The CIS Energy Office announced the Grandville Public Schools district received the ENERGY STAR Building Label for Grandview Elementary School. In addition to Grandview Elementary, the District expects to receive labels for two additional buildings later this summer. The ENERGY STAR Building Label is awarded to buildings that exhibit high-energy efficiency without sacrificing occupant safety and comfort. Labeled buildings receive national recognition for their energy performance. Wyandotte is the only other school district in Michigan that has achieved this standard. ENERGY STAR is a voluntary partnership between government, business and individuals united to protect our environment for future generations by implementing energy-efficient practices today. Last year alone, ENERGY STAR helped businesses and consumers save more than \$5 billion in energy costs while reducing greenhouse gas emissions equivalent to those generated by 10 million cars. The Energy Office currently offers an incentive to encourage Michigan school districts and municipalities to benchmark their buildings and apply for the ENERGY STAR Label. The program is funded by the U.S. Department of Energy (<http://www.energystar.gov>).

## Providing Career Development Resources

**Michigan Rehabilitation Services Assists Michiganians with Disabilities:** Michigan Rehabilitation Services (MRS) assisted 749 Michiganians with disabilities into jobs during May 2003. A total of 1,189 Michiganians with disabilities were provided with career development services by MRS during the month. MRS also assisted 176 Michigan businesses with disability-related issues during May 2003.

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**State Receives More Than \$25 Million to Help Job Seekers and Businesses.** Michigan Works! Agencies began receiving Wagner-Peyser grants to provide labor exchange services to Michigan's job seekers and businesses. For the program year July 1, 2003 - June 30, 2004, Michigan will receive a total of \$25,159,933 from the U.S. Department of Labor for labor exchange services and support of the Michigan Talent Bank.

**Adult Basic Education Advisory Group Convenes for First Time:** The office of Adult Education and Spanish-Speaking Affairs' Adult Basic Education (ABE) Advisory Group met for the first time May 13 in Lansing. This advisory group will meet monthly to discuss issues pertinent to adult basic literacy, instructional strategies, and recruitment/retention concerns. The ABE Advisory group will also serve as a conference planning board for the proposed ABE fall conference.

**Federal Immigration Representative Addresses Commission on Spanish-Speaking Affairs:** Hiwatha Greene-Janvier, community outreach coordinator, U.S. Department of Homeland Security, Bureau of Citizenship and Immigration Services, addressed the Michigan Commission on Spanish-Speaking Affairs on departmental changes and immigration and green card requirements on June 6.

**Office of Postsecondary Services Sponsors Community College Faculty Conference:** The Office of Postsecondary Services was a sponsor of the "Taking Critical Thinking from the Institutional Plan into the Classroom" conference. The conference, held at Northwestern Michigan College in Traverse City, was designed as a transformational workshop for faculty. One of the goals of this conference was to help faculty explore using critical thinking as a classroom tool for teaching content. This event, which had 45 participants from community colleges throughout the state, showed attendees how to teach non-analytical students to use thinking to master content material, develop a pragmatic approach to building important teaching skills, and many more techniques that would enhance student thinking.

**Community College Services Unit Implementing Latest Technology:** The Office of Postsecondary Services, Community College Services Unit (CCSU) is currently developing an Electronic Dashboard that will help colleges track the performance of their programs, developing a report taxonomy that allows colleges to maintain a current inventory of all required federal and state legislated reports and the expansion and updating of the Web-based data collection system.

**Career Development Recognizes Students with "Breaking Traditions" Awards:** The Department of Career Development honored 23 students from across the state as the 2003 Breaking Traditions Awards recipients gathered at a May 15 ceremony held in the rotunda at the State Capitol in Lansing. The Breaking Traditions Awards were established in 2002 to recognize students who have been successful in Career and Technical Education program areas or Postsecondary Occupational programs that are nontraditional for their gender. Norma Tims, Office of Career and Technical Preparation gender equity consultant, received a "surprise" award for her work in establishing the Breaking Traditions Awards, and her many other contributions to helping to eliminate gender bias and stereotyping in secondary career and technical education programs.

